IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX REFERENCE NO.275 OF 1998

The Commissioner of Income Tax
Bombay City III, Bombay .. Applicant.
V/s.
M/s.Deepak Woollens P. Ltd. .. Respondent.

Mr.A.S. Rao i/b. Mr.Pankaj Kapoor for the applicant.
Mr.A.K. Jasani for the respondent.

CORAM : V.C. DAGA &
J.P. DEVADHAR, JJ.

DATED : 19TH APRIL, 2005.

P.C. :

1. Heard learned counsel for the applicant. The Tribunal has referred question for the opinion of this Court reading as under :-

> Whether in the facts and in the circumstances of the case, the Tribunal was right in law in holding that the central subsidy received by the assesseeis not to be deducted from the cost of capital asset for the purpose of depreciation and deduction u/s.80-J of the Act ?

2. The above question has already been answered by the Apex Court in the case of **C.I.T. V/s. P.J. Chemicals Ltd. [(1994) 210 I.T.R. 830 (SC)]** in the affirmative i.e. in favour of the assessee and against the revenue. In this view of the matter, reference stands disposed of in terms of that judgment with no order as to costs.

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